

**Suggested Remarks**  
**USAID Mission Director Jon Lindborg**  
**Power Forum: Towards an Efficient and**  
**Competitive Power Sector**  
**Philippine International Convention Center**  
**November 23, 2005**

- Honorable Secretary Raphael P.M. Lotilla,  
Department of Energy;
- Undersecretary Melinda L. Ocampo, Department  
of Energy;
- Atty. Cyril C. del Callar, President of  
National Power Corporation;
- Ms. Nieves L. Osorio, President of PSALM;
- Honorable Commissioner Rauf A. Tan, Energy  
Regulatory Commission
- Engineer Virgilio C. Flordeliza, President of  
the Institute of Integrated Electrical  
Engineers of the Philippines;
- Distinguished Guests, Ladies and Gentlemen,

Magandang Umaga!

We at USAID recognize that the path towards  
sustainable development and poverty alleviation

is illuminated by one key foundational ingredient - energy. Without reliable, affordable, and clean energy, we cannot achieve economic growth. Nor can we attack poverty, improve food security, and build economic opportunity without energy.

In my travels to rural areas during my brief tenure here in the Philippines, I have asked, "What do you need here? What would transform your life in this barangay more than anything else?" And they say, 'We need energy to light our homes and classrooms, to cook our food, to pump water, to power our small workshops, to listen to radios, to learn on computers and gain access to the Internet, to refrigerate vaccines in our hospitals..."

And here in urban Metro Manila, businessmen tell me about how energy supply and costs undermine the competitiveness for their enterprises. What the country needs is simple - reliable, affordable, clean energy. But how do we get there?

The Philippine Government has mapped the way forward with Electric Power Industry Reform Act (or EPIRA), and has recognized that it must engage all stakeholders as the reform process moves forward.

In this regard, I am pleased to be here to witness first hand the Department of Energy's partnership with:

- the Institute of Integrated Electrical Engineers;

- the University of the Philippines College of Engineering; and
- the Society of the Philippine Electrical Contractors and Suppliers.

I understand there have been many developments and challenges since the passage of EPIRA five years ago. EPIRA is a complex piece of legislation that aims to privatize and restructure the power industry, in order to establish competition and promote efficiency in a restructured and regulated market. If all goes according to plan, EPIRA will improve the competitiveness of the Philippines, provide choices for electricity services for consumers, encourage more investments in the country, and serve as a more effective catalyst for rural development.

But reform does not happen overnight. Change is not easy. As the structure of the electric power sector evolves, it is critical that accurate and targeted information is shared amongst all stakeholders. Why?

- Because consumers want to know what they will be paying for their electricity in the future;
- Because distribution utilities need to know how open access will affect their sales; and
- Because power producers have to know if they will be able to sell their power at true cost;

Information, education and communication, or “IEC” is a valuable tool in facilitating change by providing that targeted information. So why am I telling this to a large gathering of engineers? Because you have a critically

important role to play in the success of these reforms. Your influence and outreach are indeed vast. In this regard, we at USAID are pleased that you are a committed partner in communicating and implementing the very challenging and complex task at hand - that of reform of the energy and power sector. It is our hope that through the combined efforts of a broadening range of stakeholders, a better and more widespread understanding of energy issues, will facilitate implementation of these important reforms.

In closing, I congratulate the organizers for putting this event together. As you are aware, USAID is an important supporter of the Department of Energy in their efforts to improve governance of the power sector, to expand use of

clean fuels and energy, and bring electricity to all parts of the Philippines. But we are just a supporter, and in the end, it is only a strong, vibrant, and well-informed alliance of government, the private sector and civil society, that can walk down that path towards an efficient and competitive power sector, and ultimately, to prosperity and peace for the Philippines.

Maraming salamat po.